

## **China-Biotics Provides Update**

**SHANGHAI, June 16, 2011** -- China-Biotics, Inc. (NASDAQ GS: CHBT - News) ("China-Biotics" or "the Company"), a leading developer, manufacturer, and distributor of probiotics products in China, today affirmed that NASDAQ halted trading in the Company's common stock at approximately 3:35 PM EDT on Wednesday, July 15, 2011, shortly after the Company filed for an extension of time to file with the Securities and Exchange Commission its Annual Report on Form 10-K for the fiscal year ended March 31, 2011. NASDAQ has requested that the Company provide certain information and explanations relating to the Company's delay in filing the Form 10-K. The Company is working to provide the information and explanations that have been requested by NASDAQ as promptly as practicable in an effort to satisfy NASDAQ's concerns so that it may permit the resumption of trading of the Company's common stock. Once such information and explanations are provided to NASDAQ, NASDAQ may request further information. The Company cannot predict when or if NASDAQ will be satisfied with the Company's responses to this inquiry, or when or if NASDAQ will permit resumption of trading of the Company's common stock.

### **About China-Biotics**

China-Biotics, Inc. ("China-Biotics" or "the Company"), a leading manufacturer of biotechnology products and supplements, engages in the research, development, marketing and distribution of probiotics dietary supplements in China. Through its wholly owned subsidiaries, Shanghai Shining Biotechnology Co., Ltd. and Growing Bioengineering (Shanghai) Co. Ltd., the Company develops and produces a proprietary product portfolio. Currently, its retail products are sold over the counter, mainly through large distributors, to pharmacies and supermarkets in Beijing, Shanghai, and Jiangsu and Zhejiang provinces. The Company also sells bulk products to institutional customers such as dairy and animal feed producers as well as pharmaceutical companies. In February 2010, China-Biotics began its commercial production in China's largest probiotics production facility to meet the growing demand in China. For more information, please visit <http://www.chn-biotics.com>.

### **Safe Harbor Statement**

The information in this release contains forward-looking statements that involve risks and uncertainties, including statements regarding the Company's capital needs, business strategy, and expectations. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements, which may be identified by terminology such as "may," "should," "will," "expect," "plan," "intend," "anticipate," "believe," "estimate," "predict," "potential," "forecast," "project," or "continue," the negative of such terms or other comparable terminology. Readers should not rely on forward-looking statements as predictions of future events or results. Any or all of the

Company's forward-looking statements may turn out to be wrong. They can be affected by inaccurate assumptions, risks and uncertainties and other factors, which could cause actual events or results to be materially different from those expressed or implied in the forward-looking statements. In evaluating these statements, readers should consider various factors, including the risks described in "Item 1A. Risk Factors" beginning on page 17 and elsewhere in the Company's 2010 Annual Report on Form 10-K. These factors may cause the Company's actual results to differ materially from any forward-looking statement. In addition, new factors emerge from time to time, and it is not possible for the Company to predict all factors that may cause actual results to differ materially from those contained in any forward-looking statements. The Company disclaims any obligation to publicly update any forward-looking statements to reflect events or circumstances after the date of this document, except as required by applicable law.